

March 27, 2013

Sent via pdf: Tom.Traves@Dal.Ca

Dr. Tom Traves
President
Dalhousie University
Henry Hicks Administration Building

Dear Dr. Traves:

Please find enclosed a copy of DFA's **Review of Dalhousie University Finances: Are budgeting practices serving university's mission?**

We found that funds are being squeezed out of academic units to fund capital construction and other non-academic expenses with little regard to academic quality. This betrays the university's mission: learning, discovery and innovation, and engagement.

Additionally, the way senior administration have structured budget consultations does a disservice to the two largest groups on campus who live the mission of the university on a daily basis: the academic staff and students.

The DFA, on behalf of the academic staff, urges the senior administration to make the mission of the University the focus of the budget process. In order to do this we ask the senior administration to:

- Recommit to funding capital projects from fundraising only;
- Stop interfund transfers from the operating budget to the capital budget;
- Stop paying current capital debt from the operating budget; and
- Recommit to hiring full-time academic staff.

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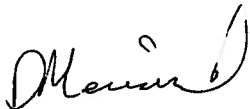
The budget process is flawed and must become transparent to ensure democratic planning and informed consultations. To this end, we urge the administration to:

- Budget from actual spending rather than the current method of showing spending after appropriations in order to match 'final' budgets;
- Provide a detailed accounting of spending from the restricted funds that shows how much of budget surpluses in academic units stay within the academic units;
- Provide a detailed accounting of the capital budgets (revenue and expenditures) and capital plans, including what money is committed and what contracts have been executed;
- Provide preliminary budgets for discussion that include all funds at the university and match the categories used in the audited financial statements.
- Provide a list of gifts received and gifts pledged during each fiscal year, and the projects to which they have been committed.

In conclusion, the current budgeting practices are **flawed** and budget priorities are **misplaced**, and, as a result, threaten Dalhousie's academic quality and the future of the university.

We ask for a commitment from you and the incoming president, Dr. Richard Florizone, to place the mission of Dalhousie University ahead of all other considerations and direct funding to properly support and defend academic programs.

Yours truly,



Dr. David Mensink
President, Dalhousie Faculty Association

enclosure